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NEAR EAST/AFRICA DIVISION

INTELLIGENCE SUMMARY

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NEAR EAST/AFRICA INTELLIGENCE SUMMARY

GENERAL

ESM proposals: The US and UK representatives on the UN Economic Survey Mission (ESM) are exploring the possibility of setting up special machinery, outside the UN, to cope with the economic problems of the Near East. They propose the establishment of an organization, tentatively labeled the Near East Development Institute (NEDI), to collaborate with Near Eastern governments in the formulation of programs designed to promote economic stability and higher living standards throughout the area. The organization would be composed of representatives from the US and UK and from other countries with Near Eastern interests, perhaps France and Turkey.

The plan may be expected to provoke sharp criticism from several sources. It will provide the USSR with additional ammunition in its campaign against US-UK imperialism. The by-passing of the UN will be ill received by many nations; the same arguments marshaled against the Greek-Turkish Aid Program will come into use once again. Many critics will consider the break with the UN particularly serious in view of the fact that the UN is already seized of the Palestine problem. They will attack the sponsors of the plan for proposing to deal with the economic aspects of the Palestine problem as an independent issue separated from the political aspects, which will remain in the hands of the UN. However, because of the hostility of the Arab states toward the UN and toward the attempts made thus far to iron out the political questions involved, the proponents of NEDI may feel that such a divorce presents the only feasible means of dealing constructively with the critical economic problems.

GREECE

Greek Communist problems: The Communist Party of Greece (KKE) is now being subjected to pressures which may seriously reduce its usefulness to the Cominform. For some time both Tito and certain elements within Greece have been seeking to exploit conflicting KKE tendencies; apparently Tito has not only had some success in winning or retaining the loyalty of a significant number of Slavo-Macedonians, but has also gained some defectors from KKE as a consequence of the Greek propaganda exploitation of the dangers to Greece of the Macedonian territorial aims sponsored by the Cominform. Now it appears that the effect of these early developments and the more general hope that Tito's brand

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of Communism can offer real competition to Stalin's product is encouraging a more direct attack on KKE. There has been an increasingly bitter exchange between Tito and KKE, following a rumor in late August that a Tito-oriented Greek Communist party was being formed among the 30,000 Greek refugees in Yugoslavia and the publication in *Horba* of a series of articles attacking KKE policy and Zachariades' leadership; on 23 October the "Free Greece" radio went so far as to charge that Tito and Athens were conspiring to form a Tito-Trotskyite party in Greece.

Greek Communist morale, which is particularly vulnerable as the result of recent reverses, may be further exposed by a winter of relative inactivity if the Cominform continues to play a waiting game in Greece—while it concentrates on the elimination of Tito. Although such defeatism may make fringe elements susceptible to outside appeals, however, it does not pose so serious a problem to KKE as does the conflict between nationalism and international Communism, which could affect the core of the party. Since Greek liberation the internationalist leadership of Zachariades has periodically won the controversy at the expense of rivals or dissidents representing home-grown Communism. Following the Tito-Cominform split, defections from the party increased, however, particularly since early 1949, when the KKE seemed to sacrifice national interests for closer Cominform collaboration by dismissing General Markos and espousing Slavo-Macedonian aims. Despite apparent efforts to exonerate the Cominform-oriented KKE leadership from primary responsibility for the major military defeats of Vitsi-Grammos, it is quite possible that many KKE members and guerrillas will recall that the Greek Communist decline began soon after the purge of Markos and other nationalists, while the ostensible scapegoat, Tito, did not officially close the Yugoslav border until July. Continued Cominform neglect of the guerrilla movement may further discredit the present KKE leadership and increase the possibility of party defections.

TURKEY

Government of the people: With Turkey's first general election since 1946 expected to take place next summer, the final session of the Eighth Grand National Assembly, which begins this week, promises to be a stormy one. Although Turkey's new multi-party system was not put in operation until the present group of deputies took office, the opposition parties have already obtained considerable practice in the none-too-gentle art of heckling the powers that be, and their attacks on governmental

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policies are likely to be sharper than ever in the months to come. Meanwhile the People's Republican Party (PRP) will be understandably vigorous in defending the position of dominance which it has enjoyed ever since the First Assembly met almost 30 years ago.

One effect of the pre-election struggle will be to force action of a number of problems which are currently bothering the Turkish voter, particularly since the government party will undoubtedly have to make some concessions on the delicate question of electoral reform. The government will probably move heaven and earth to end the present wheat shortage, so that bread may be plentiful next summer. The cost of living is likely to receive much attention, although it is difficult to see how any substantial reduction can be obtained; the government may attempt to extend price controls but will avoid the unpopular rationing system (particularly in sugar) as much as possible. A variety of expedients will probably be employed in an effort to bolster foreign trade, while the government may attack the difficult budget problem by making some reductions in administrative expenses. Private business will probably be promised better treatment in the hope of countering the opposition's persistent (if none too sincere) demands for a more circumscribed form of etatism, while the more remote provinces, on which the PRP is counting for solid support, are likely to be singled out for special treatment to dispel their feeling that they have been neglected.

Finally, the session is likely to end with both sides breathing fire at each other. Even if there is no major hitch in obtaining agreement on the terms of a new electoral law, the Democrats will probably end by proclaiming that the elections had better be fair "or else," with the PRP thereupon retorting that the Democrats had better not try taking the law into their own hands "or else." Thereafter, the Turkish voter (or so, at least, the Democrats and others fervently hope) may have his first real opportunity to elect the candidate he actually prefers.

ARAB STATES

Possible Arab Security Pact: The Egyptian proposal at the Arab League Council meeting in Cairo for a collective security pact among the Arab states may provide some basis (however slight) for rehabilitating the League, which has been on the downgrade since the start of the war in Palestine. Although Egypt's real reason for advancing the plan was to counter the Syrian-Iraqi union scheme, the League Council accepted the plan in principle before adjourning on 30 October. The general intent of the plan is to strengthen the Arab states as a unit (against Israel, for instance) and

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possibly to open the way for an alliance with the Western powers in the event of an East-West conflict.

Although the League members currently favor the idea of collective security, their continuing support is not assured. Syria does not yet have a sufficiently stable government to make permanent commitments. Egypt might attempt to play too commanding a role in the projected pact and thereby discourage other Arab countries from participating. Moreover, wholehearted cooperation among the Arab states in any matter seems unlikely in view of recent Arab bickerings and the disunity which characterized the Palestine fighting. Because of these very difficulties, however, Arab leaders may possibly decide that their countries cannot retain complete independence of action without becoming more vulnerable than ever to external dangers and that consequently they might better adopt a policy of compromise for the sake of collective security.

INDIA-PAKISTAN

Communist strategy: Recent Communist activity in South Asia would appear to indicate that the Kremlin is placing greater emphasis on the development of its influence in the areas bounding India than on the strengthening of its position within the country (by either subversive or diplomatic means) at this time. Although Indian Communists faithfully persist in their efforts to undermine and embarrass the Indian authorities at every opportunity, they are handicapped by the arrest or flight of many of their leaders following the unsuccessful effort to initiate crippling nation-wide strikes last March. Although India remains the principal Soviet target in South Asia, the most notable development of Soviet-inspired activity in the area has been in the regions along its periphery.

In Assam, an integral but outlying part of the Indian Union which also borders on Eastern Pakistan, Communist activities and depredations have been marked during the past few months, and reports are current that Communist penetration of Nepal is also being attempted. The Indian Director of Intelligence has even asserted that serious Communist penetration of the Tibetan monasteries has already taken place and that it is only a question of time until Communist China enters Tibet under the pretext of taking up the cause of the Panchen Lama. In Afghanistan, where Soviet operations are more obscure than elsewhere, there has been increased activity on the part of the Soviet Mission, especially among the military attaches, which probably represents an attempt to exploit

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Afghanistan's current financial difficulties, its dispute with Pakistan, and its disappointment over the failure of its past orientation toward the US to provide it with tangible material benefits.

Of greater import is the current Soviet attitude toward Pakistan, where subversive activity is apparently being soft-pedaled in favor of a show of friendship. Although a revolutionary groundwork is no doubt being laid in East Pakistan, where Communist activities are under the same direction as in West Bengal and Assam, the Communists there have refrained from the sort of outbreaks which their co-workers have been perpetrating across the border; indeed, during the past few months the party has not been vociferous in any way. In Western Pakistan the Soviet effort appears to be devoted entirely to a rapprochement between the USSR and Pakistan. Soviet propaganda strives to paint a picture of happiness and prosperity within the USSR itself, to promote the belief that the UK and the US are building up India at the expense of Pakistan, and to develop among the intelligentsia, the junior government employees, and the younger generation thought patterns sympathetic to the USSR and to the Communist doctrines. At a higher level, efforts at increased trade, entertainment in Moscow of the Pakistan Prime Minister, and the prospective opening of diplomatic missions in Karachi and Moscow all similarly indicate a hope that Pakistan's friendship can be secured.

NOTED IN BRIEF

Turkey still has not overcome its wheat crisis. Attempts to do so continue through ECA and by means of the re-opened negotiations with Syria. There is no indication yet that the Syrians may comply with the Turkish request.

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A minor squall has arisen in the Persian Gulf over the question of off-shore oil rights. BAPCO of Bahrein has moved in on isles and shoals which the Saudi kingdom claims as its own, and ARAMCO is concerned lest BAPCO's action set an unfortunate precedent in view of the fact that the rights to such off-shore areas are not yet established. King Ibn Saud plans to discuss the entire question with the British, who hold the protectorate over Bahrein.

The Tapline Agreement of July 1947 was finally signed and ratified last week by the Saudi Arabian Government. This act is nothing more than a formality, since the government has for some time been in complete agreement with Tapline plans.

The Saudi Arabian Government has ordered that Palestinian refugees be given first preference, after Saudis, in the hiring done by foreign companies operating within Saudi Arabia. This new regulation is in fulfillment of Ibn Saud's previous promise to help alleviate the refugee problem.

The Political Subcommittee of the UN General Assembly has drafted recommendations on the disposition of Italy's former African colonies which call for: a united, independent Libya not later than 1952; Italian trusteeship for Italian Somaliland until 1953 (at which time the GA will determine whether or not Somaliland is ready for independence); and postponement on the Eritrean question until a UN Commission visits the territory and reports its findings to the 1950 spring session of UNGA.

The Director-General of the Ethiopian Budget is having difficulty preparing next year's budget inasmuch as a copy of last year's budget, which he wishes to use as guide, cannot be found. The crisis is not a grave one, however; once the new budget is drawn up, it too is likely to be filed and forgotten.

A current strike by Calcutta Municipal Corporation employees indicates that the Congress Party may be losing control of one of its most useful instruments, the Indian National Trade Union Congress (INTUC). INTUC, which is now the leading labor association in India, has heretofore been amenable to the wishes of its creator, the Indian National Congress. The present strike, which deprives the city of Calcutta of many essential services, is, however, illegal and in direct opposition to the Congress Government of West Bengal. Possibly local conditions have forced the strike upon the Union leaders in order to avert serious loss of members to rival unions. The strike is significant if it indicates waning Congress loyalty on the part of INTUC members.

A tieup of rail and shipping facilities in the Gold Coast, which is the principal US source of battery grade manganese as well as a supplier of industrial diamonds, cocoa, and mahogany, may develop out of nationalist objections to last week's Coussey Committee report for its failure to recommend full self-government for the British crown colony this year. The transportation system would be particularly an attractive target for the strikes and boycotts which the nationalist leader Nkrumah had previously threatened to call if such a recommendation were not incorporated in the report.